

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 713, Los Angeles, California 90012 (213) 974-1101 http://ceo.lacounty.gov

> Board of Supervisors GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

December 14, 2010

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

THIRTY-YEAR GROUND LEASE AND NON-EXCLUSIVE LICENSE AGREEMENTS
WITH MONTEBELLO UNIFIED SCHOOL DISTRICT AND CITY OF MONTEBELLO
FOR A COMMUNITY AND SENIOR SERVICES CENTER AT
8051 ARROYO DRIVE, MONTEBELLO
(FIRST DISTRICT) (3 VOTES)

SUBJECT

This recommendation is for approval of a 30-year ground lease with the Montebello Unified School District for the construction of the Potrero Heights Community and Senior Services Center, and approval of 30-year coterminous Non-Exclusive License Agreements between the City of Montebello and the County of Los Angeles for the use of the Community and Senior Services Center by the Montebello Unified School District and the City of Montebello, and for the use of the parking lot and graded area.

IT IS RECOMMENDED THAT YOUR BOARD:

- Approve and instruct the Mayor to execute the Ground Lease Agreement with the Montebello Unified School District to provide land for the construction of a Community and Senior Services Center located at 8051 Arroyo Drive, Montebello.
- 2. Approve and instruct the Mayor to execute the Non-Exclusive License Agreement for the Potrero Heights Community and Senior Services Center with Montebello Unified School District and the City of Montebello to provide for the joint use of the Community and Senior Services Center after its construction.

- 3. Approve and instruct the Mayor to execute the Non-Exclusive License Agreement for Potrero Heights Community and Senior Services Center Parking Lot and Graded Areas with Montebello Unified School District and City of Montebello, to provide for joint use of the parking lot and graded areas at the Community and Senior Services Center site.
- 4. Delegate the authority to the Chief Executive Officer to enter into any amendments to the Ground Lease and/or the Licenses that may be required, provided that any such amendment will not result in additional financial liability to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Montebello Unified School District (District) owns a parcel of land located at 8051 Arroyo Drive, Montebello (Site). The Site has not been used for classroom purposes for more than ten years and the District's governing board has determined that it will not be needed for this purpose in the foreseeable future.

The Site has been leased to the City of Montebello (City), who improved it with park facilities and has used it jointly with the District for recreational programs for the adjacent school and the community. In order to meet constituent needs in the area, the County of Los Angeles (County) has been seeking a property to construct and operate a Community and Senior Services Center (Center) for the residents of Montebello and the unincorporated area of South San Gabriel. To achieve this goal, the City agreed to remove the proposed area of the Ground Lease Agreement (Ground Lease) from its agreement with the District to allow for a direct lease between the District and the County.

Development and construction of the project will be undertaken by the Community Development Commission (CDC). On August 14, 2007, CDC was authorized by your Board to enter into a contract for architectural services to develop the Center. CDC will be submitting a recommendation to your Board for the award of the construction contract.

Upon completion of construction of the Center by the CDC, the Non-Exclusive License Agreement for Potrero Heights Community and Senior Services Center (Center License) between the County, as the Licensor, and the District and City as Licensees, along with the Non-Exclusive License Agreement for Portrero Heights Community and Senior Services Center Parking Lot (Parking License), will allow the facility to be used jointly by the three agencies for the benefit of the communities served.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we maximize the effectiveness and timely delivery of efficient public services (Goal 1), that we promote strategic planning with public agencies to create more accessible and cost-effective service delivery (Goal 2), and that we enrich the lives of County's residents by providing access to recreational and lifelong learning facilities (Goal 3). The proposed Ground Lease and the two licenses will support the construction of the necessary Center facility and provide enhanced services to the community.

FISCAL IMPACT/FINANCING

The County has completed the environmental review for the project and will incur the construction costs for the proposed new Center. Preliminary estimates indicate a total cost of approximately \$2.5 to \$3.5 million dollars to construct the Center. In exchange for the County incurring these costs and for allowing joint use of the Center, the District agreed to provide the County with a 30-year ground lease without payment of any additional rent. The County may extend the term of the Ground Lease to three five-year options, or for an additional 15 years, at the same terms, conditions and rental rate.

The estimated costs of improvements, along with California Environmental Quality Act (CEQA) compliance study, will be submitted to your Board by CDC prior to awarding the construction contract.

8401 ARROYO DRIVE, MONTEBELLO	GROUND LEASE AGREEMENT	NON-EXCLUSIVE LICENSE AGREEMENTS	
Initial Term (years)	30 years	For the duration of the Ground Lease	
Options to Extend	Three options to extend each for five years, or a total of up to 45 years (including the Initial Term). Options are under the same terms, conditions and consideration.	Same as above	
Rent/Consideration	In consideration for the payment of \$1, the construction of the improvements and availing the Center for joint use, no further monetary consideration will be required.	Gratis	
Utilities, Repair & Maintenance	Paid by the County	N/A	

The Ground Lease and the Non-Exclusive License Agreements are on a gratis basis. Approval of funding for the construction of the facility will be recommended to your Board at the time the construction contract is presented to your Board for consideration.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Center will serve the residents of Montebello and South San Gabriel who are in need of a community center for group activities, social support, public information and other community activities. The Potrero Heights Site is a nine-acre property currently improved with school and recreation facilities, but has not been used for K-12 classroom purposes for more than ten years.

The proposed Ground Lease will provide the County with the legal authority necessary to construct the Center. The Ground Lease contains the following provisions:

- A base term of 30 years, with three options to extend each for five years for a maximum term of up to 45 years.
- All improvements will be owned by the County until the expiration or termination of the lease, at which time the improvements will revert to the District, or a new agreement can be negotiated between the parties.
- The terms, conditions and rental rate for the extended periods are the same as for the base term.
- As a consideration for the gratis Ground Lease, the County will be responsible for all operating costs for the Center, including utilities.

The Ground Lease was approved by the District governing body. County Counsel has approved the Ground Lease and the two Licenses as to form.

Upon completion of construction, the terms of the Center License and the Parking License will take effect and will run concurrently with the Ground Lease term. The attached Licenses have been approved by the governing bodies of the District and the City.

ENVIRONMENTAL DOCUMENTATION

On November 3, 2010, your Board adopted an Environmental Assessment/Mitigated Negative Declaration for the proposed Potrero Heights Community and Senior Services Center, which covers the actions proposed herein and meets CEQA requirements.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return three adopted, stamped Board letters and three certified copies of the Minute Order to the Chief Executive Office, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:SK:WLD CEM:MS:hd

Attachments

c: County Counsel
Auditor-Controller
Community and Senior Services
Community Development Commission

8051Arroyo.b

PROPOSED NEW COMMUNITY AND SENIOR CENTER 8051 ARROYO DRIVE, MONTEBELLO

Asset Management Principles Compliance Form¹

1.	Occupancy			No	N/A	
	Α	Does lease consolidate administrative functions? ²			х	
	В	Does lease co-locate with other functions to better serve clients? ²			Х	
	С	Does this lease centralize business support functions? ²			х	
	D	Does this lease meet the guideline of 200 sq.ft. of space per person? ²			х	
2.	Car	Capital				
	Α	Is it a substantial net County Cost (NCC) program? 100%	х			
	В	Is this a long term County program?	х			
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy? The project is a joint effort between the County Community Development Commission, Montebello School District and the City of Montebello to better serve the community.		х		
	D	If no, are there any suitable County-owned facilities available?		Х		
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			Х	
	F	Is Building Description Report attached as Attachment B?		х		
	G	Was build-to-suit or capital project considered? This project is a build-to-suit joint effort between the County (through the Community Development Commission), Montebello Unified School District, and the City of Montebello	х			
3.	Poi	Portfolio Management				
	A	Did department utilize CEO Space Request Evaluation (SRE)?			х	
	В	Was the space need justified?			х	
	С	If a renewal lease, was co-location with other County departments considered?			х	
	D	Why was this program not co-located?				
		1 The program clientele requires a "stand alone" parking area.				
		2 No suitable County occupied properties in project area.				
		3. X No County-owned facilities available for the project.				
		4 Could not get City clearance or approval.				
		5 The Program is being co-located.				
	Ε	Is lease a full service lease? ² County pays all construction and operating costs associated with the operation of the Center.		х		
	F	Has growth projection been considered in space request?			X	
	G	Has the Dept. of Public Works completed seismic review/approval?	<u> </u>		X	
	+ -:		3	1		

GROUND LEASE BY AND BETWEEN THE MONTEBELLO UNIFIED SCHOOL DISTRICT AND THE COUNTY OF LOS ANGELES FOR THE POTRERO HEIGHTS PARK COMMUNITY AND SENIOR SERVICES CENTER

THIS GROUND LEASE ("Lease") is dated November 24, 2010 for reference purposes only and is made by and between MONTEBELLO UNIFIED SCHOOL DISTRICT, as Lessor ("District"), and the COUNTY OF LOS ANGELES, a body politic and corporate, as Lessee ("County"). District and County are referred to herein as the "Parties." The Effective Date of this Lease is the date of approval by the County Board of Supervisors.

RECITALS

WHEREAS, District owns certain real property located at 8051 Arroyo Drive, City of Montebello, in the County of Los Angeles, State of California adjacent to the District's Potrero Heights Elementary School (the "Property");

WHEREAS, County desires to lease from the District a portion of the Property for the purpose of constructing, operating and maintaining thereon for the public benefit the Potrero Heights Park Community and Senior Services Center (the "Center") measuring approximately 2,970 gross square feet. The design of the Center's roof depicts that the roof will hang over the footprint of the building. The Center, including the area of the roof overhang, access to the Center, and trash enclosure for the Center, is depicted in Exhibit "A" attached hereto and incorporated herein by this reference ("Premises");

WHEREAS, District is authorized to enter into this Lease pursuant to California Education Code sections 10900, et seq., as the Board of Education finds that the use of the Premises for the Center will not interfere with school purposes;

WHEREAS, County is authorized to enter into this Lease pursuant to Government Code section 26227, as the Board of Supervisors finds and determines that the provision of community and senior services at this location and in this manner is necessary to meet the social needs of the population of the County;

WHEREAS, the City of Montebello ("City") currently uses certain facilities located on the Property for community and recreational purposes pursuant to certain written agreements entered into between the City and the District;

WHEREAS, the Parties desire that, once the Center is constructed and occupied, the Center will be jointly used by the County, City and District pursuant to a license agreement to be entered into between them in substantially the form attached hereto as Exhibit "B" and incorporated herein by this reference ("Center License Agreement");

WHEREAS, a parking lot and related facilities ("Parking Lot") are located along the southern boundary of the Property, which Parking Lot is used and maintained by the City in conjunction with the City's use of the Property;

WHEREAS, the County has agreed to make certain grading improvements adjacent to the Center ("Grading Improvements") and to construct a trash enclosure ("Trash Enclosure") adjacent to the Parking Lot.

WHEREAS, the Parties and the City desire that the Parking Lot and Grading Improvements will be jointly used by the County, City, and District pursuant to a license agreement to be entered into between them

HOA:636378.1

in substantially the form attached hereto as Exhibit "C" and incorporated herein by this reference ("Parking Lot and Graded Areas License Agreement"); and

NOW THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and of the mutual covenants, agreements and conditions set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. PREMISES:

District hereby leases to County, and County hereby hires and takes of and from District, the Premises depicted and described in **Exhibit "A"**.

2. TERM:

The term of this Lease shall be for a period of thirty (30) years from and after the Effective Date of this Lease ("Initial Term"). In addition to the Initial Term, County may exercise up to three (3) five (5) year options to renew the Lease under the same terms and conditions as contained herein, for a total possible term of forty-five (45) years. County shall provide District with written notice of its intention to exercise each option by letter from the County's Chief Executive Office no later than 90 days prior to the end of the Initial Term, or as may be extended by exercise of one or more options as set forth herein. The exercise of an option shall be by the County's Board of Supervisors.

3. RENT:

County hereby agrees to pay to District as rent for the Premises during the term hereof the sum of One Dollar (\$1.00) for the entire term, including any option period.

4. <u>USE</u>:

District agrees that the Premises, together with all appurtenances thereto, shall be used by County to construct, operate and maintain the Center and for other incidental governmental or lawful purposes, not inconsistent therewith, as County may require. The Parties agree that the primary use of the Center will be by the County, to be operated as a community and senior services center. The Parties further agree that, once constructed, the Center will be used by the City and District pursuant to the Center License Agreement (Exhibit "B") and the Parking Lot and Graded Areas will be used by the County, City and District pursuant to the Parking Lot and Graded Areas License Agreement (Exhibit "C"). County and District have jointly agreed upon the name of the Center as the "Potrero Heights Park Community and Senior Services Center."

- 5. **CONSTRUCTION**:
- A. <u>Design and Construction of Center, Grading Improvements.</u> Trash Enclosure and Parking Lot Improvements. County agrees to design and construct the Center, Grading Improvements, Trash Enclosure and Parking Lot Improvements. The Grading Improvements, Trash Enclosure and Parking Lot Improvements are depicted on the attached Exhibit "A". The Center, Grading Improvements, Trash Enclosure and Parking Lot Improvements and all related improvements constructed by or on behalf of the County on the Property are referred to herein collectively as the "Improvements." In addition, the County's work may include striping and signage work in the public right of way adjacent to the Parking Lot, which work is not subject to this Lease. The design of the Center was prepared by Lehrer Architects LA, Michael Berryl Lehrer FAIA, License No. C12115.

- Applicable Law. The Improvements shall be designed and constructed in accordance with all applicable laws, codes and ordinances, including but not limited to County of Los Angeles Building Code (Title 26), County of Los Angeles Electrical Code (Title 27), County of Los Angeles Plumbing Code (Title 28), and County of Los Angeles Mechanical Code (Title 29). The Parties agree that the California Division of State Architects' Building Codes and Standards shall not govern the design and construction of the Improvements. County shall obtain all applicable permits and approvals from all applicable agencies, including but not limited to: County of Los Angeles, Department of Public Works (building and site work); County of Los Angeles Fire Prevention Bureau, and/or City of Montebello Fire Prevention Bureau; City of Montebello Planning Division; County of Los Angeles Sanitation District and/or City of Montebello Sanitation District; and County of Los Angeles Environmental Health Division, if applicable. District has reviewed and approved the design of the Center as to the concept, location and general aesthetic of the Center, but not as to whether the design complies with applicable building codes, ordinances or other legal requirements. County has provided to the District a copy of the signage design for the Center for review and comment. County shall provide to the District a copy of the final, approved construction documents prior to commencement of construction. In accordance with paragraph B.4. of the Funding Agreement. any contract entered into for the construction of the Improvements shall require one hundred percent payment and performance bonds, payment of prevailing wages, and compliance with provisions of the California Public Contract Code as applicable. County shall comply with all applicable laws concerning the award of the contract(s) for the construction of the Improvements.
- C. Construction of Improvements Performed by CDC. The Parties agree that construction of the Improvements will be performed on the County's behalf by the County's Community Development Commission ("CDC") in accordance with the terms of this Lease, the terms of the Master Services Agreement between the County and CDC dated June 28, 1983, and the Funding Agreement between the County and CDC dated June 29, 2006 ("Funding Agreement"). District shall incur no cost or expense related to the design or construction of the Improvements.
- D. <u>Construction Site</u>. County shall utilize the general area depicted and described on the attached Exhibit "D" for construction and construction related activities ("Construction Site"), which area generally consists of the building footprint, roof overhang, access ramp and existing Parking Lot. The Construction Site shall be used for all construction activities such as staging, storage, set up, temporary offices, coordination and any other construction related activities during the course of the construction of the Improvements. The parties agree that the general area of construction as depicted in Exhibit "D" may be modified and/or expanded, upon approval of all parties and the City, to accommodate construction related activities.
- E. <u>Construction Coordination</u>. County, CDC, District and City shall coordinate construction activities and schedules in order to avoid or minimize disruption to existing activities on the Property, including the City's existing use

of the Property. County and CDC shall consult with the District and the City to reach agreement concerning site access; temporary utilities, storage of equipment and materials, temporary offices, power shutdowns, and noise and dust controls. Further, County will attempt to minimize effects on City's and District's activities at Potrero Heights Park while construction activities occur. District shall monitor construction as needed, including attending weekly construction meetings if requested by District. Access to the Construction Site shall be strictly prohibited to the public, but may be granted to City and District agents upon request. County reserves the right to require that any person desiring to enter the Construction Site execute a written waiver of liability form provided by the County prior to entering the Construction Site, except in cases of emergency as defined in Public Contract Code section 1102.

F. <u>Public Notice of Structural Standards</u>. In accordance with California Education Code section 17368, once the Center is constructed, County shall post in a conspicuous place on the Center a public notice stating that the building does not meet the structural standards imposed by law for earthquake safety for a school building. Such posting shall be maintained at the Center for the entire term of this Lease.

6. <u>DAMAGE OR</u> <u>DESTRUCTION</u>:

District agrees that should the Premises be damaged by fire, incidents of war, earthquake, or other elements as to render them unfit for County's occupancy, whether prior to or after completion of construction of the Center, then this Lease may be terminated immediately, at the County's sole option, upon the happening of any such event, whereupon County shall surrender the Premises. At the District's request, County, at its sole cost and expense, shall remove or demolish the Center and restore the Premises to its condition prior to the construction of the Center.

7. REPAIR, MAINTENANCE AND REPLACEMENT:

County agrees to keep, or cause to be kept, in good repair, and to maintain or cause to be maintained, at its own expense, the Improvements installed by the County pursuant to Section 5 hereof, ordinary wear and tear and damages by the elements excepted. Notwithstanding the foregoing, County shall not be responsible for maintenance of that portion of the Premises located underneath the Center's rooftop overhang; said maintenance shall be the sole responsibility of the City pursuant to the Center License Agreement.

8. <u>UTILITIES:</u>

County agrees to install at its sole cost and expense separate meters and pay when due all charges for the use of the sewer, effluent treatment, all water, electricity, gas, telephone and data, and other lighting, heating, and power and other utility rents and charges accruing or payable in connection with the Premises and/or the Center during the term of this Lease or any option term, or extension.

9. LESSOR ACCESS:

Upon completion of the Improvements, County agrees to permit District or District's authorized agents free access to the Premises at all reasonable times, upon advance notice (except in cases of emergency as defined in Public Contract Code section 1102) for the purpose of inspection.

10. DEFAULT:

A. Default by County:

County agrees that if default shall be made in any of the covenants or agreements herein contained on the part of County to be kept and performed which constitute a material breach of the Lease, it shall be lawful for District to declare said term ended and to terminate this Lease upon the giving of thirty (30) days written notice. In addition thereto. District shall have such other rights or remedies as may be provided by law or in equity. Such defaults which constitute a material breach include uses of the Center other than or inconsistent with those described in paragraph 4 of this Lease. County and District further acknowledge and agree that a substantial part of the consideration for the District's entering into this Lease is the right of the District to use the Premises in accordance with the Center License Agreement (Exhibit "B"). As such, County will be in default of a material term of this Lease in the event that County unreasonably precludes or limits District's use of the Premises or unreasonably, wrongfully or unlawfully terminates the Center License Agreement. District may not terminate the Lease if (1) County cures the default within the thirty (30) day period after the notice is given or (2) the default cannot reasonably be cured within the thirty (30) days after notice is given, but County reasonably commences to cure the default within the thirty (30) days period and diligently and in good faith continues to cure the default.

B. <u>Default by District</u>:

District shall not be in default in the performance of any material obligation required to be performed under this Lease unless District has failed to perform such material obligation within thirty (30) days after the receipt of written notice of default from County specifying in detail District's failure to perform. County may terminate this Lease upon District's default of a material obligation upon giving of thirty (30) days written notice of termination. In addition thereto, County shall have such other rights or remedies as may be provided by law or in equity. County may not terminate the Lease if (1) District cures the default within the thirty (30) day period after notice of default is given, or (2) the obligation cannot reasonably be performed within thirty (30) days after notice of default is given, but District reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

11. <u>NO ASSIGNMENT</u> <u>OR SUBLETTING:</u>

County shall not have the right to assign this Lease or sublease the Premises to any person or entity except by prior written consent of the District, which consent may be withheld in the sole discretion of the District.

12. ALTERATIONS:

Once the Center is constructed, the County agrees not to make any alterations to the same without first securing the prior written consent of District, and further agrees to make any such alterations only at such time that it is agreeable to the District. Consent shall be given or denied within sixty (60) days of receipt of

written request. Consent shall not be unreasonably withheld. Should there be no response within sixty (60) days, the request shall be deemed denied. Any alterations installed by County which are "trade fixtures" as defined by the law of eminent domain shall be treated as tenant's fixtures in accordance with the provisions of this Lease.

13. NOTICES:

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, with the United States Postal Service, by certified or registered mail, return receipt requested, or by first class mail.

Any such notice and the envelope containing the same shall be addressed to District as follows:

Montebello Unified School District 123 South Montebello Boulevard Montebello, California 90640 Attention: Superintendent of Schools

or such other place as may hereinafter be designated in writing by District.

The notices and envelopes containing the same shall be addressed to County as follows:

Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

14. **CONDEMNATION**:

If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), any award for the taking of all or any part of the Premises shall be the property of District, to the extent it is compensation for the taking of the fee or as severance damages. County shall be entitled to that portion of the award, if any; attributable to any improvements constructed by County or County's trade fixtures.

Within fifteen (15) days of receipt of the offer to acquire the Premises pursuant to Section 7267.2 of the Government Code or, within fifteen (15) days of the date District receives notice of the Resolution of Necessity to condemn property, whichever is earlier, District shall notify County in writing (1) of the condemnation proceeding and (2) the physical extent of the Premises that will be affected by the proposed taking.

If more than ten percent (10%) of the floor area of the Center, or more than twenty-five percent (25%) of the land area of the Premises, which is not occupied by any improvements, is taken by condemnation, the County may

cancel this Lease. The Parties agree that District and County shall each receive independently their relocation assistance.

15. INSURANCE:

- A. During the term of County's occupancy, County shall keep the Center and the Premises insured against loss or damage by fire, lightning, vandalism, malicious mischief, and such perils ordinarily provided by the Causes-of-Loss Special Form (ISO form CP 10 30) or its equivalent in an amount not less than the full insurable replacement value of said buildings and improvements. The full insurable replacement value shall be reviewed by the insurer at least every year to assure sufficient coverage.
- B. During the term of this Lease, County shall at all times maintain in force a policy of comprehensive public liability insurance (written on ISO policy form CG 00 01 or its equivalent) insuring against injury to persons and damage to property. This policy shall have a combined single limit coverage of not less than One Million Dollars (\$1,000,000) per occurrence, with Two Million Dollars (\$2,000,000) general aggregate coverage. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the District. The policy coverage shall be reviewed by the insurer at least every year to assure sufficient coverage. The County shall cause District to be named as an additional insured and the policy of insurance shall require written notice to District least ten (10) days prior to cancellation for non-payment of premium and at least thirty (30) days prior to the expiration or other termination of this coverage. County shall at all times be responsible for providing District with evidence that such coverage is in effect and has not been terminated.
- C. County shall at all times maintain in force a policy of Workers' Compensation Insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with a One Million Dollar (\$1,000,000) limit, covering all persons County is legally required to cover. As County is an independent contractor, County understands and agrees that all persons furnishing services at the Premises are, for purposes of workers' compensation liability, employees solely of County and not of District. County shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person employed by County for injuries arising from or connected with services performed on behalf of County at the Premises.
- D. County at its option shall have the right to self-insure any or all of the insurance required under this Lease. County shall provide District with a Certificate of County Self-Funding of Insurance Obligation if the County intends to self-insure. All insurance to be provided by County hereunder shall be primary to and not contributing with any other insurance or self-insurance programs maintained by District, and such coverage shall be provided and maintained at County's own expense.

- E. County shall report to the District any accident or incident which involves injury or property damage which might reasonably be thought to result in the filing of a claim or lawsuit against the County and/or District. Such report shall be made in writing immediately upon County's knowledge of such occurrence.
- F. During the progress of construction and until completion of the Improvements, County shall cause to be procured and maintained, at no cost to District, Builders Risk Course of Construction Insurance on all insurable work included under the construction contract. Such insurance shall be written on a completed-value basis and cover the entire value of the construction project, including any public agency furnished materials and equipment, against loss or damage until completion and acceptance by the CDC and County. Such insurance shall include the District as an additional insured and County shall provide District evidence of such insurance prior to commencement of construction. The risk of damage to the work due to the perils covered by the Builder's Risk Course of Construction Insurance, as well as any other hazard which might result in damage to the work, is that of the County and no claims for such loss or damage shall be recognized by the District.
- G. Certificate(s) or other evidence of coverage satisfactory to District shall be delivered to the District prior to the commencement of this Lease. Such certificates or other evidence shall: (a) specifically identify this Lease, (b) clearly evidence all coverages required in this Lease, (c) contain the express condition that District is to be given written notice by mail to District at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions.

16. INDEMNITY:

- A. District agrees to indemnify, defend and hold harmless County, its Special Districts, elected officials, officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage, arising from or connected with District's ownership of or District activities on or adjacent to the Premises.
- B. County shall indemnify, defend and hold harmless District, its elected officials, officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage, arising from or connected with County's performance of its obligations under this Lease, including but not limited to the design and construction of the Improvements, and activities on or related to the Center or the Premises by, or under the direction and control of, County, its invitees and licensees (other than District, its invitees and licensees) on the Premises.

C. The indemnities provided herein shall survive the termination or expiration of this Lease.

17. TAXES

County shall pay promptly all real property taxes, assessments and special assessments, if any, which may be levied or assessed against the Premises during the term of this Lease or any option term or holdover period thereof. As owner of the Premises, District shall assist County by applying for any appropriate waivers or exemptions from taxation that may be applicable to the Premises.

18. <u>BINDING ON</u> <u>SUCCESSORS:</u> Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of District, and wherever the context permits or requires, the successors in interest of County.

19. <u>HAZARDOUS</u> <u>MATERIALS</u>:

Definition:

For purposes of this Lease, the term "hazardous substances" shall be deemed to include hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316 as amended from time to time, or the same or a related defined term in any successor or companion statutes, and crude oil or byproducts of crude oil other than crude oil which exists on the property as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

Warranties and Representations:

- District hereby warrants and represents, based upon appropriate and reasonable inspection of the Premises, that during its ownership of the Premises, that it has no knowledge of any release of hazardous substances on the Premises and that District shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances; and that District shall require all other tenants, if any, of the subject property to comply with the aforementioned rules and regulations.
- 2. County hereby warrants and represents that it shall comply with all federal, state and local laws and regulations concerning the use, release, storage and disposal of hazardous substances on the Premises.

<u>Notice</u>: District and County agree to immediately notify each other when either Party learns that hazardous substances have been released on the Premises.

Indemnity:

1. District agrees to indemnify, defend and hold harmless County, its special districts, elected officials, officers, employees, and agents from or against all liability, expenses (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the Premises which has not been caused by the County.

- County agrees to indemnify, defend and hold harmless District from and against all liability, expenses (including defense costs, legal fees and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of hazardous substances on the Premises caused by the County, its invitees and licensees (other than the District).
- 3. The indemnities provided each Party by this provision shall survive the termination or expiration of this Lease.

<u>Default</u>: The presence or release of hazardous substances on the Premises which is not caused by County, its invitees or licensees (other than District and/or the City) and which threatens the health and safety of County's elected officials, officers, employees, agents or invitees, as determined by County in its sole discretion, shall entitle County to immediately terminate this Lease.

20. **GENERAL PROVISIONS**:

A. Waiver

The waiver by District or County of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

B. Marginal Headings

The paragraph titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

C. Time

Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

D. Recordation

Either Party may record this Lease at any time without the prior written consent of the other Party.

E. Quiet Possession

Upon County paying the rent hereunder, County shall have quiet possession of the Premises for the entire term hereof subject to all the provisions in this Lease. If any underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, this Lease shall nevertheless remain in full force and effect and County at all times shall be entitled to quiet possession and use of the Premises and shall, notwithstanding any subordination, and upon the request of such successor in interest to District, attorn to and become the lessee of the successor in interest to District.

F. Prior Agreements

This Lease contains all of the agreements of the Parties hereto with respect to any matter covered or mentioned in this Lease and no prior agreements or understanding pertaining to any such matter shall be

effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the Parties or their respective successors-in-interest. This Lease shall not be effective or binding on any Party until approved by the respective governing bodies of the Parties ("Effective Date").

G. Force Majeure

In the event that either Party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

H. No Merger

The leasehold interest created by this Lease shall not merge with the fee interest in all or any portion of the Premises, notwithstanding that the fee and leasehold interests are held at any time by the same person or entity.

I. Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

J. <u>Cumulative Remedies</u>

No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

K. Choice of Law

This Lease shall be governed by the internal laws of the State of California, exclusive of conflict of law provisions.

L. <u>Impairment of Title</u>

District hereby covenants to notify County in writing within thirty (30) days of each and every occurrence which may impair District's title to the Premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default in any master lease. District further agrees to notify County, in writing, within ten (10) days of receipt of any written notice regarding redevelopment, zoning, or conditional use permits which affect the Premises, the subject of this Lease or real property adjacent thereto.

M. Disputes

In the event of any dispute regarding the terms, conditions, rights or obligations of the Parties hereto, such dispute shall be decided by the courts of the State of California.

N. <u>Interpretation</u>

The language of this Lease shall be construed according to its fair meaning and not strictly for or against District or County.

O. Lobbyists

The parties hereto are aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code and certify full compliance therewith.

P. Limited Holdover

County may remain in possession of the Premises or any part thereof not more than sixty (60) days beyond the expiration of the initial term or any option term(s) of this Lease, subject to all of the terms, covenants and conditions of this Lease.

21. OWNERSHIP OF IMPROVEMENTS:

Until the expiration of the Lease term or sooner termination as a result of an event of default by the County, pursuant to Section 10.A., above, County shall own all improvements constructed by County on the Premises, including the Center and any other alterations, additions or betterments made thereto by the County or its sublessees or licensees during the term of the Lease. Upon the expiration of the Lease term or termination by default, all improvements constructed by County or its sublessees during the Lease term shall be surrendered with the Premises and title thereto shall vest in District. County may remove, at its sole option and at its own expense, during or at the expiration of the Lease term (as may be extended by exercise of one or more options), all fixtures, equipment and all other personal property placed or installed in or upon the Premises by County, or under its authority.

22. INDEPENDENT CONTRACTOR STATUS:

This Lease is by and between District and County and is not intended and will not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association as between County and District.

IN WITNESS WHEREOF, District has executed this Lease or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Lease to be executed on its behalf by the Chairman of said Board and attested by the Clerk thereof the day, month, and year first above written.

LESSOR

MONTEBELLO UNIFIED SCHOOL DISTRICT

Cheryl A. Plotkin
Assistant Superintendent
Business Services

[signatures continued on next page]

HOA.636378.1 REV. 11-24-10

HOA. 636378.1 REV. 11-24-10

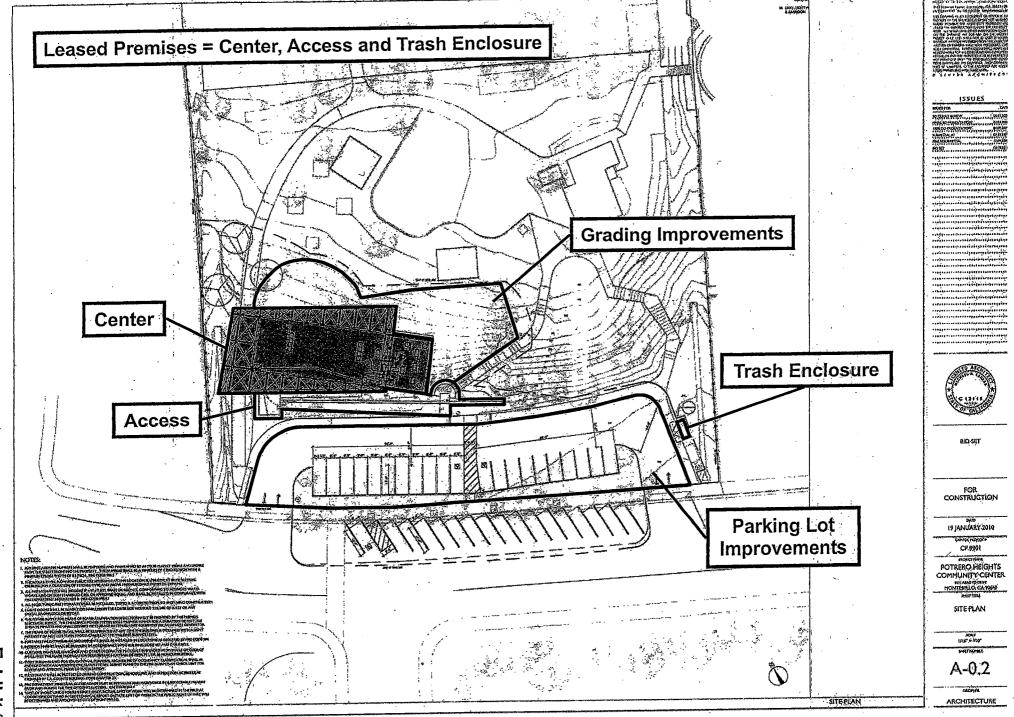
By_

Amy M. Caves Senior Deputy County Counsel EXHIBIT "A": DESCRIPTION OF CENTER, GRADING IMPROVEMENTS, PARKING LOT IMPROVEMENTS AND TRASH ENCLOSURE

EXHIBIT "B": CENTER LICENSE AGREEMENT

EXHIBIT "C": PARKING LOT AND GRADED AREAS LICENSE AGREEMENT

EXHIBIT "D": CONSTRUCTION SITE



NON-EXCLUSIVE LICENSE AGREEMENT FOR POTRERO HEIGHTS PARK COMMUNITY AND SENIOR SERVICES CENTER

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License") is dated November 24, 2010, for reference purposes only, and is made:

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body

corporate and politic ("County"), on the one

hand,

AND

MONTEBELLO UNIFIED SCHOOL DISTRICT ("District") and CITY OF

MONTEBELLO ("City"), on the other hand.
District and City are referred to herein
singularly as a "Licensee" and collectively as

"Licensees."

RECITALS

WHEREAS, District is the owner of certain real property located at 8051 Arroyo Drive, Montebello, California (the "Property") and has entered into a Ground Lease with County dated November 24, 2010 with an initial term of thirty (30) years (the "Ground Lease"). The Effective Date of the Ground Lease is the date of approval by the County Board of Supervisors. The Ground Lease is incorporated by this reference as though fully set forth herein.

WHEREAS, the Ground Lease provides that County will construct, operate and maintain for the public benefit the Potrero Heights Park Community and Senior Services Center ("Center") and related improvements on the Property as depicted in the attached Exhibit "A".

WHEREAS, County is authorized to license use of the Center pursuant to Government Code section 26227.

WHEREAS, the area subject to this License is the Premises as defined in the Ground Lease to include the Center, its roof overhang, access ramp and trash enclosure as depicted on the attached Exhibit "A".

WHEREAS, the purpose of this License is to allow the City and the District the use of the Center as set forth in this License.

WHEREAS, District had previously licensed the land on which the Ground Lease is located to the City and has used the surrounding land as the Potrero Heights Park. City has maintained the Property pursuant to certain written agreements with the District.

THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them agree as follows:

1. LICENSED AREA

- 1.01 County hereby grants a non-exclusive License to Licensees, and each of them, and Licensees hereby agree to the use of the Center upon the terms and conditions set forth herein. The area that is subject to this License is set forth in **Exhibit** "A", consisting of the Premises which are comprised of the Center, its roof overhang, access ramp and trash enclosure.
- 1.02 The Center shall be used by the Licensees only for the purpose of conducting program activities that are consistent with its intended community use, including but not limited to providing visitors with a place to socialize, participate in public forums, attend meetings, participate in organized activities and instruction on a variety of subjects, utilize computers, participate in physical fitness activities, host special events that do not promote a political agenda and are open to the general public, and such other purposes as are related thereto, during any hours of non-use by County, upon advance notice by Licensees.
- 1.03 Licensees shall make no unauthorized alterations or improvements to the Center and shall not make space available at the Center to third parties. Use of the Center by outside groups or agencies must be referred to the County for consideration.
- 1.04 In the event that a Licensee makes any alterations or improvements in violation of Section 1.03 of this License, County may exercise any or all of following options:
 - (a) Require such Licensee to immediately remove all alterations and improvements and restore the Center to its pre-existing condition;
 - (b) Remove the alterations or improvements and charge such Licensee for the cost of such removal in the event that Licensee does not remove them after sufficient notice from the County; and/or
 - (c) Notify such Licensee of County's intent to retain any and all improvements installed by the Licensee in violation of Section 1.03.
- 1.05 Any use of the Center by the Licensees to set up or store equipment or furniture not already provided at the Center must be approved in writing by the County. Notwithstanding the foregoing, at no time shall the Center be used to store anything which is not intended to be used at the Center on a regular basis.

2. TERM

The term of the License shall commence upon approval by the County (the "Commencement Date") and shall terminate concurrently with the termination or expiration of the Ground Lease.

3. PAYMENT

Licensees' use of the Center shall be at no charge to Licensees. Consideration for this License shall be Licensees' adherence to the terms and conditions of the License and District's agreement to enter into the Ground Lease with County which has decreased the space that was previously used by the City. Licensees shall not charge any fee for use of the Center.

4. OPERATING RESPONSIBILITIES

- 4.01 <u>Compliance with Law.</u> Licensees' operations in and use of the Center shall conform to and abide by all County ordinances, policies and/or regulations implemented by the County's Department of Community and Senior Services ("CSS") and all State and Federal laws and regulations as applicable; and where permits and/or licenses are required for a Licensee's specific use of the Center, the same must be first obtained from the regulatory agency having jurisdiction therein. County shall maintain the Center in compliance with all applicable County ordinances and State and Federal laws and regulations.
- 4.02 <u>Signs</u>. Except for the posting required under paragraph 5.F. of the Ground Lease, Licensees shall not post signs or advertising matter upon, in or around the Center unless prior approval therefor is obtained from the County, which approval shall not be unreasonably withheld.
- 4.03 <u>Sanitation</u>. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Area, and Licensees shall prevent any accumulation thereof from occurring.
- 4.04 <u>Maintenance of Grounds Under the Roof Overhang/Canopy</u>. The City will maintain the area immediately surrounding the building footprint and underneath the roof area in a manner consistent with the paved areas in the surrounding park. City agrees to maintain the area underneath the roof overhang with the intent that the area will consist of concrete or similar paved surface. City is not obligated to perform any other maintenance on the area except for ordinary maintenance consisting of sweeping and/or blowing down of the paved areas and disposing of trash in the said area. Any extraordinary maintenance, including but not limited to washing down paved areas or general repair and maintenance, that the County wishes to be performed, must be discussed and agreed upon with the City prior to any action taken.
- 4.05 <u>CSS Representative</u>. The parties hereto acknowledge and agree that a representative of CSS may be present at the Center during all periods of use by Licensees pursuant to this License, at no cost or expense to Licensees.

5. HOLD HARMLESS AND INDEMNIFICATION

5.01 <u>Licensees' Indemnification of County.</u> Licensees, and each of them, agree to indemnify, defend, save and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all

liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with such Licensee's, and its members', agents' and invitees', operations on and use of the Center and the attraction caused by their operations on and use of the Center which attracts third parties and members of the general public to the Center, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensee by any person pursuant to this License.

5.02 <u>County Indemnification of Licensees</u>. County agrees to indemnify, defend, save and hold harmless Licensees, and each of them, their elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with the Center, other than claims related to Licensees', and its members', agents' and invitees', operations on and use of the Center and the attraction caused by their operations on and use of the Center which attracts third parties and members of the general public to the Center, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensees by any person pursuant to this License.

6. INSURANCE

- 6.01 <u>Insurance Requirements</u>. During the term of this License, Licensee shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Licensee's own expense. Licensees shall have the right to self-insure any or all of the insurance required under this License.
 - (a) General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name County as an additional insured, with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Fire Legal Liability:	\$100,000
Fach Occurrence:	\$1 million
Pach Occurrence.	~

(b) Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Licensee is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - Policy Limit:	\$1 million
Disease - Each Employee:	\$1 million

- 6.02 Evidence of Insurance. Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the Chief Executive Office, Real Estate Division, County prior to the Commencement Date. Such certificates or other evidence shall: (a) specifically identify this License, (b) clearly evidence all coverages required in this License, (c) contain the express condition that County is to be given written notice by mail to County at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions.
- 6.03 <u>Notification of Incidents, Claims or Suits</u>. Licensee shall report to County any accident or incident relating to activities performed under this License which involves injury or property damage which might reasonably be thought to result in the filing of a claim or lawsuit against Licensee and/or County. Such report shall be made in writing immediately upon Licensee's knowledge of such occurrence.

7. NO ASSIGNMENT OF LICENSE

Licensees acknowledge that the rights conferred herein are personal to Licensees and do not operate to confer on or vest in Licensees any title, interest, or estate in the Center or any part thereof, and therefore, Licensees shall not assign, hypothecate or mortgage the Center or any portion thereof, by, through, or pursuant to this License.

8. NONDISCRIMINATION

Licensees, and each of them, certify and agree that all persons employed by Licensees are and shall be treated equally without regard to or because of race, ancestry, national origin, or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the State Fair Employment Practices Act; and the Americans with Disabilities Act.

9. **DEFAULT**

Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee which constitutes a material breach, County shall notify Licensee in writing and provide such Licensee with thirty (30) days to cure the default or, if the default cannot reasonably be cured within the thirty (30) days after notice is given, such Licensee shall reasonably commence to cure the default within the thirty (30) day period and diligently and in good faith continue to cure the default.

10. WAIVER

10.01 Any waiver by any party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of any party to require exact, full and complete compliance with any of the covenants, conditions,

terms or agreements herein contained be construed as in any manner changing the terms of this License or estopping any party from enforcing the full provisions hereof.

10.02 No option, right, power, remedy, or privilege of any party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given the parties by this License shall be cumulative.

11. ENFORCEMENT

The County's Chief Executive Officer shall be responsible for the enforcement of this License on behalf of County and shall be assisted therein by those officers, employees, or committees of County having duties in connection with the administration thereof.

12. COUNTY LOBBYIST ORDINANCE

The parties hereto are aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code and certify full compliance therewith.

13. NOTICES

Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation, mail chute, or other like facility regularly maintained by the United States Postal Service. The addresses to be used for any notice served by mail upon Licensees shall be:

Montebello Unified School District 123 South Montebello Boulevard Montebello, California 90640 Attention: Superintendent of Schools

City of Montebello 1600 West Beverly Boulevard Montebello, California 90640 Attention: City Administrator

or such other place as may hereinafter be designated in writing to the County by Licensees.

Notice served by mail upon County shall be addressed to:

Chief Executive Office Real Estate Division - Property Management 222 South Hill Street, 3rd Floor Los Angeles, California 90012

AND

Department of Community and Senior Services 3175 West 6th Street Los Angeles, California 90020 c/o Program Manager, Community and Senior Centers Division, Room 306

or such other place as may hereinafter be designated in writing to Licensees by the Chief Executive Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

14. REPAIR OF DAMAGE

Each Licensee shall, at such Licensee's sole expense, be responsible for the cost of repairing any portion of the Center which is damaged by such Licensee or such Licensee's agents, employees, invitees or visitors. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by County, which approval shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws.

15. SOLICITATION OF CONSIDERATION

15.01 It is improper for any County officer, employee or agent to solicit consideration, in any form, from a licensee with the implication, suggestion or statement that the licensee's provision of consideration may secure more favorable treatment for the licensee in the award of the license or that the licensee's failure to provide such consideration may negatively affect the County's consideration of the licensee's submission. A licensee shall not offer to or give, either, directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the issuance of a license.

15.02 Licensees shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

16. CONFLICT OF INTEREST

No County employee whose position in County service enables him/her to influence obtaining or awarding any lease, license or permit, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Licensees, or have any other direct or indirect financial interest resulting from this License.

17. INTERPRETATION

Unless the context of this License clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

18. **GOVERNING LAW AND FORUM**

This License shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this License shall be conducted in the courts of the State of California.

19. ENTIRE AGREEMENT

This License contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Licensees.

20. SIGNATURE AUTHENTICITY CLAUSE

Each of the individuals executing this License on behalf of a party hereto hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate such party to the terms and conditions of this License.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has executed this License or caused it to be duly executed by its Chairman, and each Licensee has caused this License to be executed in its behalf by its duly authorized officer, this day, month, and year first above written.

LICENSEES:

MONTEBELLO UNIFIED	SCHOOL	DISTRICT
--------------------	--------	----------

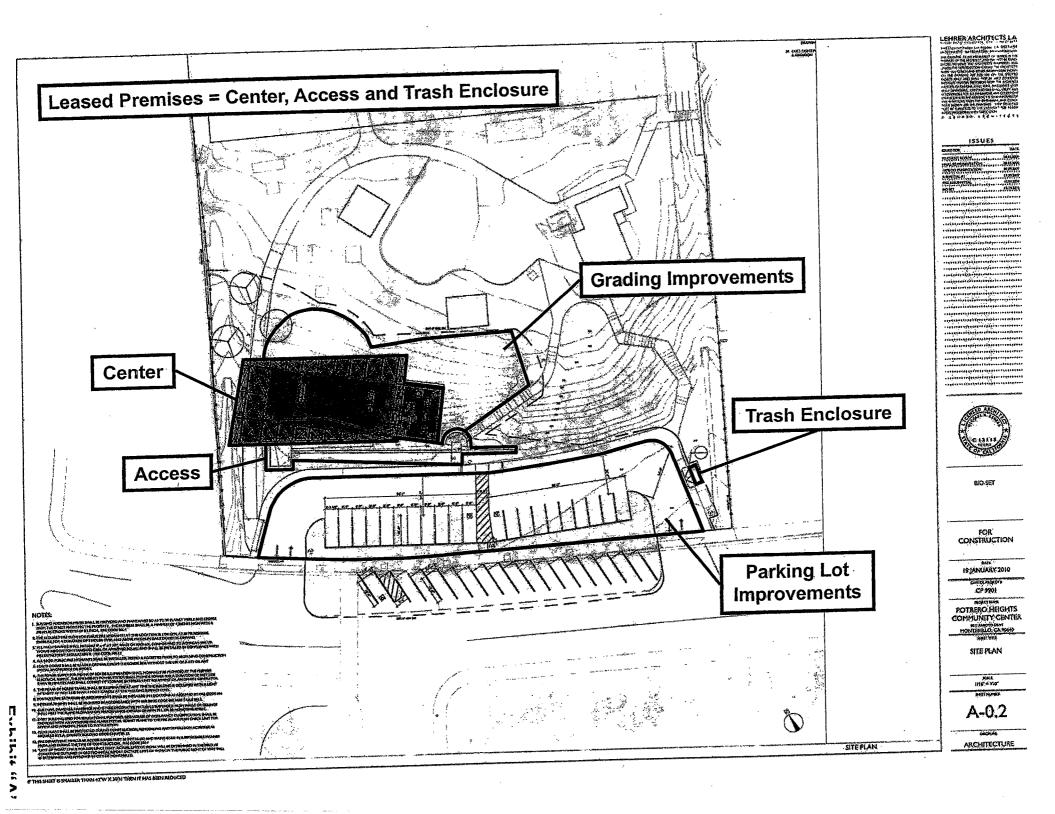
By:
CITY OF MONTEBELLO
By: William M. Molinari, Mayor
[signatures continued on next page]

SACHI A. HAMAI Executive Officer-Clerk of The Board of Supervisors By: Deputy By: Mayor, Board of Supervisors APPROVED AS TO FORM: ANDREA SHERIDAN ORDIN County Counsel

By_

Amy M. Caves

Senior Deputy County Counsel



NON-EXCLUSIVE LICENSE AGREEMENT FOR POTRERO HEIGHTS PARK COMMUNITY AND SENIOR SERVICES CENTER

PARKING LOT AND GRADED AREAS

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License") is dated November 24, 2010, for reference purposes only, and is made:

BY AND BETWEEN

MONTEBELLO UNIFIED SCHOOL DISTRICT ("District"), on the one hand,

AND

COUNTY OF LOS ANGELES, a body corporate and politic ("County") and CITY OF MONTEBELLO ("City"), on the other hand. County and City are referred to herein singularly as a "Licensee" and collectively as "Licensees."

RECITALS

WHEREAS, District is the owner of certain real property located at 8051 Arroyo Drive, Montebello, California (the "Property") and has entered into a Ground Lease with County dated November 24, 2010 with an initial term of thirty (30) years (the "Ground Lease"). The Effective Date of the Ground Lease is the date of approval by the County Board of Supervisors. The Ground Lease is incorporated by this reference as though fully set forth herein.

WHEREAS, the Ground Lease provides that County will construct, operate and maintain for the public benefit the Potrero Heights Park Community and Senior Services Center ("Center") and related improvements on the Property as depicted in the attached Exhibit "A";

WHEREAS, the Ground Lease obligates the County to construct and install Parking Lot Improvements and Grading Improvements as depicted in the attached Exhibit "A";

WHEREAS, District had previously licensed the land which is the subject of the Ground Lease to the City and City has used the surrounding land as the Potrero Heights Park. City has maintained the Property pursuant to certain written agreements with the District.

WHEREAS, once the Center is constructed and occupied, the Center will be jointly used by the County, City and District pursuant to a license agreement entered into between them ("Center License Agreement");

HOA.743187.1 Rev. 11-24-10 WHEREAS, the Parties desire that once the Center is constructed and occupied, the County, City and District will jointly use the Parking Lot Improvements and Grading Improvements, referred to herein as the "Parking Lot" and "Graded Areas", in accordance with this License Agreement.

THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them agree as follows:

1. LICENSED AREAS

- 1.01 District hereby grants a non-exclusive License to Licensees, and each of them, and Licensees hereby agree to the use of the Parking Lot and Graded Areas upon the terms and conditions set forth herein. The areas that are subject to this License are shown in Exhibit "A" as the areas referred to therein as the "Parking Lot Improvements" and "Grading Improvements." The term "Licensed Areas" as used herein refers collectively to the Parking Lot and Graded Areas.
- 1.02 The Parking Lot shall be used by the Licensees only for public parking purposes related to the use of the Center and the Potrero Heights Park.
- 1.03 The Graded Areas shall be used by the Licensees only for activities reasonably suitable for its intended use as an outdoor forum for community and recreational activities.
- 1.04 Licensees shall make no unauthorized alterations or improvements to the Parking Lot or Graded Areas. Use of the Parking Lot or Graded Areas by outside groups or agencies must be referred to the District for consideration and approval.
- 1.05 In the event that a Licensee makes any alterations or improvements in violation of Section 1.04 of this License, District may exercise any or all of following options:
 - (a) Require such Licensee to immediately remove all alterations and improvements and restore the affected improvement to its pre-existing condition;
 - (b) Remove the alterations or improvements and charge such Licensee for the cost of such removal in the event that Licensee does not remove them after sufficient notice from the District; and/or
 - (c) Notify such Licensee of District's intent to retain any and all improvements installed by the Licensee in violation of Section 1.04.

2. **TERM**

The term of the License shall commence upon approval by the County (the "Commencement Date") and shall terminate concurrently with the termination or expiration of the Ground Lease.

3. PAYMENT

Licensees' use of the Parking Lot and Graded Areas shall be at no charge to Licensees. Consideration for this License shall be Licensees' adherence to the terms and conditions of the License and District's agreement to enter into the Ground Lease with County which has decreased the space that was previously used by the City. Licensees shall not charge any fee for use of the Parking Lot or Graded Areas.

4. OPERATING RESPONSIBILITIES

- 4.01 <u>Compliance with Law</u>. Licensees' operations and use of the Parking Lot and Graded Areas shall conform to and abide by all applicable State and Federal laws and regulations.
- 4.02 <u>Signs</u>. Licensees shall not post signs or advertising matter upon, in or around the Parking Lot or Graded Areas unless prior approval therefor is obtained from the District, which approval shall not be unreasonably withheld.
- 4.03 <u>Sanitation</u>. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Areas, and Licensees shall prevent any accumulation thereof from occurring.
- 4.04 <u>Maintenance of Parking Lot</u>. The City, at its own expense, will maintain the Parking Lot in good order, condition and repair, except for loss or damage by fire, earthquake or other casualty or act of God. The City's obligations include restorations, repairs and replacements when necessary to keep the Parking Lot in good order, condition and state of repair.
- 4.05 <u>Maintenance of Graded Areas</u>. The City, at its own expense, will maintain the Graded Areas in good order, condition and repair in conjunction with City's existing maintenance obligations of the surrounding grounds of the Potrero Heights Park, except for loss or damage by fire, earthquake or other casualty or act of God. The City's obligations include restorations, repairs and replacements when necessary to keep the Graded Areas in good order, condition and state of repair.

5. HOLD HARMLESS AND INDEMNIFICATION

5.01 <u>Licensees' Indemnification of District</u>. Licensees, and each of them, agree to indemnify, defend, save and hold harmless the District, its trustees, elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with such Licensee's, and its members', agents' and invitees', operations on and use of the Licensed Areas and the attracts third parties and members of the general public to the Licensed Areas, including any Worker's

Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensee by any person pursuant to this License.

5.02 <u>District Indemnification of Licensees</u>. District agrees to indemnify, defend, save and hold harmless Licensees, and each of them, their elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with the Licensed Areas, other than claims related to Licensees', and its members', agents' and invitees', operations on and use of the Licensed Areas and the attraction caused by their operations on and use of the Licensed Areas which attracts third parties and members of the general public to the Licensed Areas, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensees by any person pursuant to this License.

6. INSURANCE

- 6.01 <u>Insurance Requirements</u>. During the term of this License, Licensee shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by District, and such coverage shall be provided and maintained at Licensee's own expense. Licensees shall have the right to self-insure any or all of the insurance required under this License.
 - (a) General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name District as an additional insured, with limits of not less than the following:

General Aggregate: \$2 million
Products/Completed Operations Aggregate: \$1 million
Personal and Advertising Injury: \$1 million
Fire Legal Liability: \$100,000
Each Occurrence: \$1 million

(b) Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Licensee is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 million
Disease - Policy Limit: \$1 million
Disease - Each Employee: \$1 million

6.02 Evidence of Insurance. Certificate(s) or other evidence of coverage satisfactory to District shall be delivered to the District prior to the Commencement Date. Such certificates or other evidence shall: (a) specifically identify this License, (b) clearly evidence all coverages required in this License, (c) contain the express condition

HOA.743187.1 Rev. 11-24-10 that District is to be given written notice by mail to District at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions.

6.03 <u>Notification of Incidents, Claims or Suits</u>. Licensee shall report to District any accident or incident relating to activities performed under this License which involves injury or property damage which might reasonably be thought to result in the filing of a claim or lawsuit against Licensee and/or District. Such report shall be made in writing immediately upon Licensee's knowledge of such occurrence.

7. NO ASSIGNMENT OF LICENSE

Licensees acknowledge that the rights conferred herein are personal to Licensees and do not operate to confer on or vest in Licensees any title, interest, or estate in the Licensed Areas or any part thereof, and therefore, Licensees shall not assign, hypothecate or mortgage the Licensed Areas or any portion thereof, by, through, or pursuant to this License.

8. NONDISCRIMINATION

Licensees, and each of them, certify and agree that all persons employed by Licensees are and shall be treated equally without regard to or because of race, ancestry, national origin, or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the State Fair Employment Practices Act; and the Americans with Disabilities Act.

9. DEFAULT

Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee which constitutes a material breach, District shall notify Licensee in writing and provide such Licensee with thirty (30) days to cure the default or, if the default cannot reasonably be cured within the thirty (30) days after notice is given, such Licensee shall reasonably commence to cure the default within the thirty (30) day period and diligently and in good faith continue to cure the default.

10. WAIVER

10.01 Any waiver by any party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of any party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this License or estopping any party from enforcing the full provisions hereof.

10.02 No option, right, power, remedy, or privilege of any party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given the parties by this License shall be cumulative.

11. ENFORCEMENT

The District's Superintendent shall be responsible for the enforcement of this License on behalf of District and shall be assisted therein by those officers or employees of District having duties in connection with the administration thereof.

12. COUNTY LOBBYIST ORDINANCE

The parties hereto are aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code and certify full compliance therewith.

13. NOTICES

Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation, mail chute, or other like facility regularly maintained by the United States Postal Service. The addresses to be used for any notice served by mail upon Licensees shall be:

Chief Executive Office Real Estate Division - Property Management 222 South Hill Street, 3rd Floor Los Angeles, California 90012

AND

Department of Community and Senior Services 3175 West 6th Street Los Angeles, California 90020 c/o Program Manager, Community and Senior Centers Division, Room 306

City of Montebello 1600 West Beverly Boulevard Montebello, California 90640 Attention: City Administrator

or such other place as may hereinafter be designated in writing to the District by Licensees.

Notice served by mail upon District shall be addressed to:

Montebello Unified School District 123 South Montebello Boulevard Montebello, California 90640 Attention: Superintendent of Schools

or such other place as may hereinafter be designated in writing to Licensees. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

14. REPAIR OF DAMAGE

Each Licensee shall, at such Licensee's sole expense, be responsible for the cost of repairing any portion of the Licensed Areas which is damaged by such Licensee or such Licensee's agents, employees, invitees or visitors. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by District, which approval shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws.

15. INTERPRETATION

Unless the context of this License clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

16. GOVERNING LAW AND FORUM

This License shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this License shall be conducted in the courts of the State of California.

17. ENTIRE AGREEMENT

This License contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both District and Licensees.

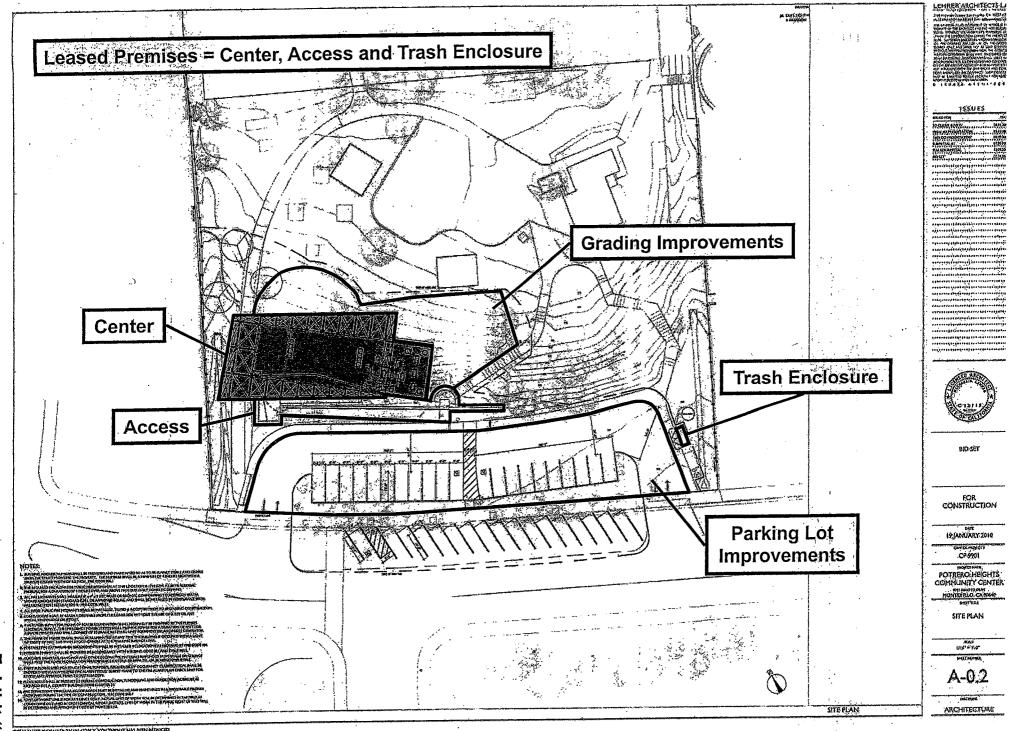
18. SIGNATURE AUTHENTICITY CLAUSE

Each of the individuals executing this License on behalf of a party hereto hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate such party to the terms and conditions of this License.

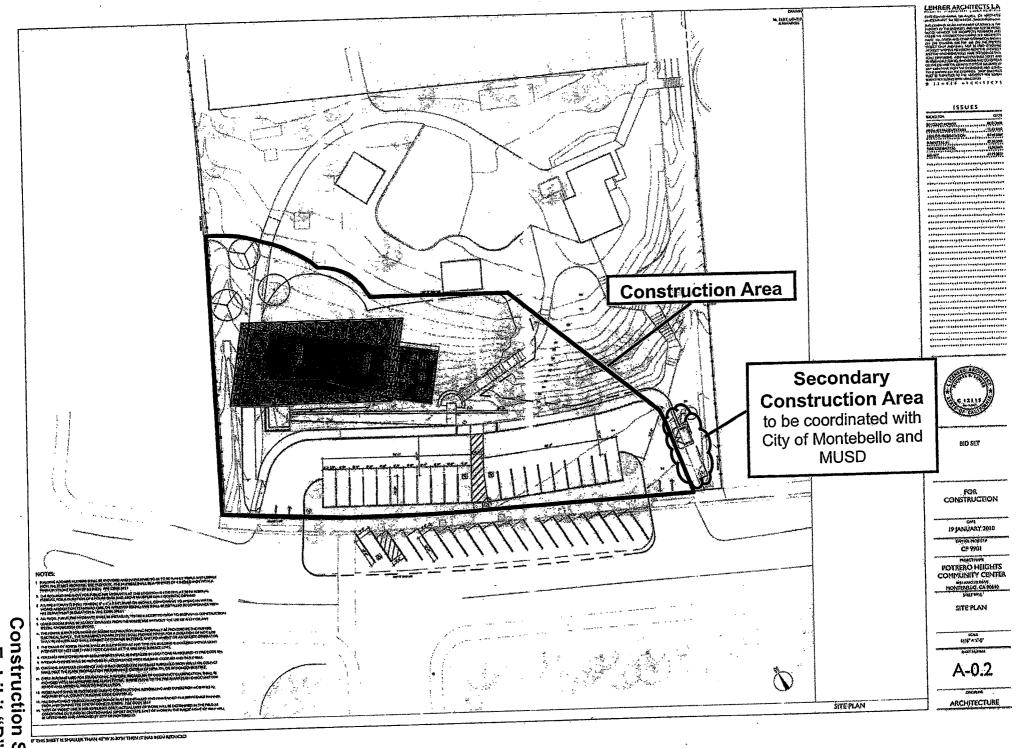
IN WITNESS WHÉREOF, the District has executed this License or caused it to be duly executed by its duly authorized officer, and each Licensee has caused this

HOA.743187.1 Rev. 11-24-10

License to be executed in its behalf by its duly au first above written.	thorized officer, this day, month, and year
LICENSOR:	
MONTEBELLO UNIFIED SCHOOL DISTRICT	
By: Cheryl Plotkin, Assistant Superintendent, Bu	usiness Services
LICENSEES:	
ATTEST:	
SACHI A. HAMAI Executive Officer-Clerk of The Board of Supervisors	COUNTY OF LOS ANGELES
Ву:	By: Mayor, Board of Supervisors
Deputy	Mayor, Board of Supervisors
APPROVED AS TO FORM:	
ANDREA SHERIDAN ORDIN	
County Counsel	
Amy M. Caves Senior Deputy County Counsel	•
CITY OF MONTEBELLO	
By: William M. Molinari, Mayor	·



下くかばかば 5



NON-EXCLUSIVE LICENSE AGREEMENT FOR POTRERO HEIGHTS PARK COMMUNITY AND SENIOR SERVICES CENTER

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License") is dated November 24, 2010, for reference purposes only, and is made:

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body corporate and politic ("County"), on the one hand.

AND

MONTEBELLO UNIFIED SCHOOL
DISTRICT ("District") and CITY OF
MONTEBELLO ("City"), on the other hand.
District and City are referred to herein
singularly as a "Licensee" and collectively as
"Licensees."

RECITALS

WHEREAS, District is the owner of certain real property located at 8051 Arroyo Drive, Montebello, California (the "Property") and has entered into a Ground Lease with County dated November 24, 2010 with an initial term of thirty (30) years (the "Ground Lease"). The Effective Date of the Ground Lease is the date of approval by the County Board of Supervisors. The Ground Lease is incorporated by this reference as though fully set forth herein.

WHEREAS, the Ground Lease provides that County will construct, operate and maintain for the public benefit the Potrero Heights Park Community and Senior Services Center ("Center") and related improvements on the Property as depicted in the attached Exhibit "A".

WHEREAS, County is authorized to license use of the Center pursuant to Government Code section 26227.

WHEREAS, the area subject to this License is the Premises as defined in the Ground Lease to include the Center, its roof-overhang, access ramp and trash enclosure as depicted on the attached Exhibit "A".

WHEREAS, the purpose of this License is to allow the City and the District the use of the Center as set forth in this License.

WHEREAS, District had previously licensed the land on which the Ground Lease is located to the City and has used the surrounding land as the Potrero Heights Park. City has maintained the Property pursuant to certain written agreements with the District.

THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them agree as follows:

1. LICENSED AREA

- 1.01 County hereby grants a non-exclusive License to Licensees, and each of them, and Licensees hereby agree to the use of the Center upon the terms and conditions set forth herein. The area that is subject to this License is set forth in **Exhibit** "A", consisting of the Premises which are comprised of the Center, its roof overhang, access ramp and trash enclosure.
- 1.02 The Center shall be used by the Licensees only for the purpose of conducting program activities that are consistent with its intended community use, including but not limited to providing visitors with a place to socialize, participate in public forums, attend meetings, participate in organized activities and instruction on a variety of subjects, utilize computers, participate in physical fitness activities, host special events that do not promote a political agenda and are open to the general public, and such other purposes as are related thereto, during any hours of non-use by County, upon advance notice by Licensees.
- 1.03 Licensees shall make no unauthorized alterations or improvements to the Center and shall not make space available at the Center to third parties. Use of the Center by outside groups or agencies must be referred to the County for consideration.
- 1.04 In the event that a Licensee makes any alterations or improvements in violation of Section 1.03 of this License, County may exercise any or all of following options:
 - (a) Require such Licensee to immediately remove all alterations and improvements and restore the Center to its pre-existing condition;
 - (b) Remove the alterations or improvements and charge such Licensee for the cost of such removal in the event that Licensee does not remove them after sufficient notice from the County; and/or
 - (c) Notify such Licensee of County's intent to retain any and all improvements installed by the Licensee in violation of Section 1.03.
- 1.05 Any use of the Center by the Licensees to set up or store equipment or furniture not already provided at the Center must be approved in writing by the County. Notwithstanding the foregoing, at no time shall the Center be used to store anything which is not intended to be used at the Center on a regular basis.

2. TERM

The term of the License shall commence upon approval by the County (the "Commencement Date") and shall terminate concurrently with the termination or expiration of the Ground Lease.

3. PAYMENT

Licensees' use of the Center shall be at no charge to Licensees. Consideration for this License shall be Licensees' adherence to the terms and conditions of the License and District's agreement to enter into the Ground Lease with County which has decreased the space that was previously used by the City. Licensees shall not charge any fee for use of the Center.

4. OPERATING RESPONSIBILITIES

- 4.01 <u>Compliance with Law.</u> Licensees' operations in and use of the Center shall conform to and abide by all County ordinances, policies and/or regulations implemented by the County's Department of Community and Senior Services ("CSS") and all State and Federal laws and regulations as applicable; and where permits and/or licenses are required for a Licensee's specific use of the Center, the same must be first obtained from the regulatory agency having jurisdiction therein. County shall maintain the Center in compliance with all applicable County ordinances and State and Federal laws and regulations.
- 4.02 <u>Signs</u>. Except for the posting required under paragraph 5.F. of the Ground Lease, Licensees shall not post signs or advertising matter upon, in or around the Center unless prior approval therefor is obtained from the County, which approval shall not be unreasonably withheld.
- 4.03 <u>Sanitation</u>. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Area, and Licensees shall prevent any accumulation thereof from occurring.
- 4.04 <u>Maintenance of Grounds Under the Roof Overhang/Canopy</u>. The City will maintain the area immediately surrounding the building footprint and underneath the roof area in a manner consistent with the paved areas in the surrounding park. City agrees to maintain the area underneath the roof overhang with the intent that the area will consist of concrete or similar paved surface. City is not obligated to perform any other maintenance on the area except for ordinary maintenance consisting of sweeping and/or blowing down of the paved areas and disposing of trash in the said area. Any extraordinary maintenance, including but not limited to washing down paved areas or general repair and maintenance, that the County wishes to be performed, must be discussed and agreed upon with the City prior to any action taken.
- 4.05 <u>CSS Representative</u>. The parties hereto acknowledge and agree that a representative of CSS may be present at the Center during all periods of use by Licensees pursuant to this License, at no cost or expense to Licensees.

5. HOLD HARMLESS AND INDEMNIFICATION

5.01 <u>Licensees' Indemnification of County</u>. Licensees, and each of them, agree to indemnify, defend, save and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all

liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with such Licensee's, and its members', agents' and invitees', operations on and use of the Center and the attraction caused by their operations on and use of the Center which attracts third parties and members of the general public to the Center, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensee by any person pursuant to this License.

5.02 <u>County Indemnification of Licensees</u>. County agrees to indemnify, defend, save and hold harmless Licensees, and each of them, their elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with the Center, other than claims related to Licensees', and its members', agents' and invitees', operations on and use of the Center and the attraction caused by their operations on and use of the Center which attracts third parties and members of the general public to the Center, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensees by any person pursuant to this License.

6. INSURANCE

- 6.01 <u>Insurance Requirements</u>. During the term of this License, Licensee shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Licensee's own expense. Licensees shall have the right to self-insure any or all of the insurance required under this License.
 - (a) General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name County as an additional insured, with limits of not less than the following:

General Aggregate: \$2 million
Products/Completed Operations Aggregate: \$1 million
Personal and Advertising Injury: \$1 million
Fire Legal Liability: \$100,000
Each Occurrence: \$1 million

(b) Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Licensee is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - Policy Limit:	\$1 million
Disease - Each Employee:	\$1 million

- 6.02 Evidence of Insurance. Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the Chief Executive Office, Real Estate Division, County prior to the Commencement Date. Such certificates or other evidence shall: (a) specifically identify this License, (b) clearly evidence all coverages required in this License, (c) contain the express condition that County is to be given written notice by mail to County at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions.
- 6.03 <u>Notification of Incidents, Claims or Suits</u>. Licensee shall report to County any accident or incident relating to activities performed under this License which involves injury or property damage which might reasonably be thought to result in the filing of a claim or lawsuit against Licensee and/or County. Such report shall be made in writing immediately upon Licensee's knowledge of such occurrence.

7. NO ASSIGNMENT OF LICENSE

Licensees acknowledge that the rights conferred herein are personal to Licensees and do not operate to confer on or vest in Licensees any title, interest, or estate in the Center or any part thereof, and therefore, Licensees shall not assign, hypothecate or mortgage the Center or any portion thereof, by, through, or pursuant to this License.

8. NONDISCRIMINATION

Licensees, and each of them, certify and agree that all persons employed by Licensees are and shall be treated equally without regard to or because of race, ancestry, national origin, or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the State Fair Employment Practices Act; and the Americans with Disabilities Act.

9. **DEFAULT**

Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee which constitutes a material breach, County shall notify Licensee in writing and provide such Licensee with thirty (30) days to cure the default or, if the default cannot reasonably be cured within the thirty (30) days after notice is given, such Licensee shall reasonably commence to cure the default within the thirty (30) day period and diligently and in good faith continue to cure the default.

10. WAIVER

10.01 Any waiver by any party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of any party to require exact, full and complete compliance with any of the covenants, conditions,

terms or agreements herein contained be construed as in any manner changing the terms of this License or estopping any party from enforcing the full provisions hereof.

10.02 No option, right, power, remedy, or privilege of any party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given the parties by this License shall be cumulative.

11. ENFORCEMENT

The County's Chief Executive Officer shall be responsible for the enforcement of this License on behalf of County and shall be assisted therein by those officers, employees, or committees of County having duties in connection with the administration thereof.

12. COUNTY LOBBYIST ORDINANCE

The parties hereto are aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code and certify full compliance therewith.

13. NOTICES

Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation, mail chute, or other like facility regularly maintained by the United States Postal Service. The addresses to be used for any notice served by mail upon Licensees shall be:

Montebello Unified School District 123 South Montebello Boulevard Montebello, California 90640 Attention: Superintendent of Schools

City of Montebello 1600 West Beverly Boulevard Montebello, California 90640 Attention: City Administrator

or such other place as may hereinafter be designated in writing to the County by Licensees.

Notice served by mail upon County shall be addressed to:

Chief Executive Office Real Estate Division - Property Management 222 South Hill Street, 3rd Floor Los Angeles, California 90012

AND

Department of Community and Senior Services
3175 West 6th Street
Los Angeles, California 90020
c/o Program Manager, Community and Senior Centers
Division, Room 306

or such other place as may hereinafter be designated in writing to Licensees by the Chief Executive Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

14. REPAIR OF DAMAGE

Each Licensee shall, at such Licensee's sole expense, be responsible for the cost of repairing any portion of the Center which is damaged by such Licensee or such Licensee's agents, employees, invitees or visitors. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by County, which approval shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws.

15. SOLICITATION OF CONSIDERATION

15.01 It is improper for any County officer, employee or agent to solicit consideration, in any form, from a licensee with the implication, suggestion or statement that the licensee's provision of consideration may secure more favorable treatment for the licensee in the award of the license or that the licensee's failure to provide such consideration may negatively affect the County's consideration of the licensee's submission. A licensee shall not offer to or give, either, directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the issuance of a license.

15.02 Licensees shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

16. CONFLICT OF INTEREST

No County employee whose position in County service enables him/her to influence obtaining or awarding any lease, license or permit, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Licensees, or have any other direct or indirect financial interest resulting from this License.

17. INTERPRETATION

Unless the context of this License clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

18. GOVERNING LAW AND FORUM

This License shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this License shall be conducted in the courts of the State of California.

19. ENTIRE AGREEMENT

This License contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Licensees.

20. SIGNATURE AUTHENTICITY CLAUSE

Each of the individuals executing this License on behalf of a party hereto hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate such party to the terms and conditions of this License.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has executed this License or caused it to be duly executed by its Chairman, and each Licensee has caused this License to be executed in its behalf by its duly authorized officer, this day, month, and year first above written.

By: Cheryl A. Plotkin, Assistant Superintendent, Business Services CITY OF MONTEBELLO By: William M. Molinari, Mayor

[signatures continued on next page]

SACHI A. HAMAI Executive Officer-Clerk of The Board of Supervisors By: Deputy By: Mayor, Board of Supervisors APPROVED AS TO FORM: ANDREA SHERIDAN ORDIN County Counsel By

Amy M. Caves Senior Deputy County Counsel

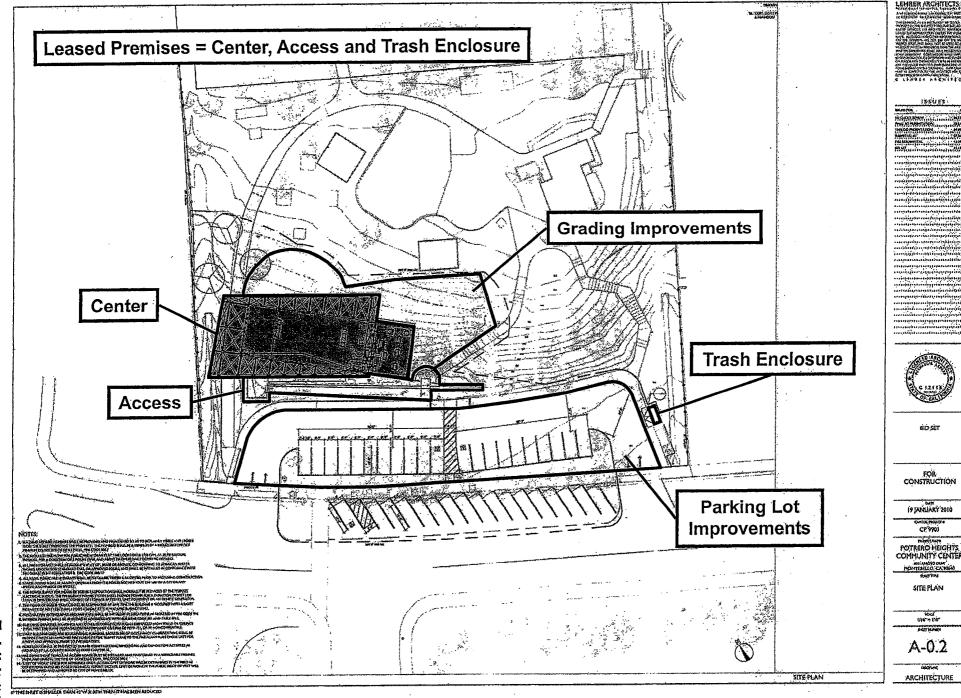


Exhibit "A"

NON-EXCLUSIVE LICENSE AGREEMENT FOR POTRERO HEIGHTS PARK COMMUNITY AND SENIOR SERVICES CENTER

PARKING LOT AND GRADED AREAS

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License") is dated November 24, 2010, for reference purposes only, and is made:

BY AND BETWEEN

MONTEBELLO UNIFIED SCHOOL DISTRICT ("District"), on the one hand,

AND

COUNTY OF LOS ANGELES, a body corporate and politic ("County") and CITY OF MONTEBELLO ("City"), on the other hand. County and City are referred to herein singularly as a "Licensee" and collectively as "Licensees."

RECITALS

WHEREAS, District is the owner of certain real property located at 8051 Arroyo Drive, Montebello, California (the "Property") and has entered into a Ground Lease with County dated November 24, 2010 with an initial term of thirty (30) years (the "Ground Lease"). The Effective Date of the Ground Lease is the date of approval by the County Board of Supervisors. The Ground Lease is incorporated by this reference as though fully set forth herein.

WHEREAS, the Ground Lease provides that County will construct, operate and maintain for the public benefit the Potrero Heights Park Community and Senior Services Center ("Center") and related improvements on the Property as depicted in the attached Exhibit "A";

WHEREAS, the Ground Lease obligates the County to construct and install Parking Lot Improvements and Grading Improvements as depicted in the attached Exhibit "A";

WHEREAS, District had previously licensed the land which is the subject of the Ground Lease to the City and City has used the surrounding land as the Potrero Heights Park. City has maintained the Property pursuant to certain written agreements with the District.

WHEREAS, once the Center is constructed and occupied, the Center will be jointly used by the County, City and District pursuant to a license agreement entered into between them ("Center License Agreement");

HOA.743187.1 Rev. 11-24-10

WHEREAS, the Parties desire that once the Center is constructed and occupied, the County, City and District will jointly use the Parking Lot Improvements and Grading Improvements, referred to herein as the "Parking Lot" and "Graded Areas", in accordance with this License Agreement.

THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them agree as follows:

1. LICENSED AREAS

- 1.01 District hereby grants a non-exclusive License to Licensees, and each of them, and Licensees hereby agree to the use of the Parking Lot and Graded Areas upon the terms and conditions set forth herein. The areas that are subject to this License are shown in Exhibit "A" as the areas referred to therein as the "Parking Lot Improvements" and "Grading Improvements." The term "Licensed Areas" as used herein refers collectively to the Parking Lot and Graded Areas.
- 1.02 The Parking Lot shall be used by the Licensees only for public parking purposes related to the use of the Center and the Potrero Heights Park.
- 1.03 The Graded Areas shall be used by the Licensees only for activities reasonably suitable for its intended use as an outdoor forum for community and recreational activities.
- 1.04 Licensees shall make no unauthorized alterations or improvements to the Parking Lot or Graded Areas. Use of the Parking Lot or Graded Areas by outside groups or agencies must be referred to the District for consideration and approval.
- 1.05 In the event that a Licensee makes any alterations or improvements in violation of Section 1.04 of this License, District may exercise any or all of following options:
 - Require such Licensee to immediately remove all alterations and (a) Improvements and restore the affected improvement to its pre-existing condition;
 - Remove the alterations or improvements and charge such Licensee for (b) the cost of such removal in the event that Licensee does not remove them after sufficient notice from the District; and/or
 - Notify such Licensee of District's intent to retain any and all (c) improvements installed by the Licensee in violation of Section 1.04.

2. TERM

The term of the License shall commence upon approval by the County (the "Commencement Date") and shall terminate concurrently with the termination or expiration of the Ground Lease.

3. PAYMENT

Licensees' use of the Parking Lot and Graded Areas shall be at no charge to Licensees. Consideration for this License shall be Licensees' adherence to the terms and conditions of the License and District's agreement to enter into the Ground Lease with County which has decreased the space that was previously used by the City. Licensees shall not charge any fee for use of the Parking Lot or Graded Areas.

4. OPERATING RESPONSIBILITIES

- 4.01 <u>Compliance with Law</u>. Licensees' operations and use of the Parking Lot and Graded Areas shall conform to and abide by all applicable State and Federal laws and regulations.
- 4.02 <u>Signs</u>. Licensees shall not post signs or advertising matter upon, in or around the Parking Lot or Graded Areas unless prior approval therefor is obtained from the District, which approval shall not be unreasonably withheld.
- 4.03 <u>Sanitation</u>. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Areas, and Licensees shall prevent any accumulation thereof from occurring.
- 4.04 <u>Maintenance of Parking Lot</u>. The City, at its own expense, will maintain the Parking Lot in good order, condition and repair, except for loss or damage by fire, earthquake or other casualty or act of God. The City's obligations include restorations, repairs and replacements when necessary to keep the Parking Lot in good order, condition and state of repair.
- 4.05 <u>Maintenance of Graded Areas</u>. The City, at its own expense, will maintain the Graded Areas in good order, condition and repair in conjunction with City's existing maintenance obligations of the surrounding grounds of the Potrero Heights Park, except for loss or damage by fire, earthquake or other casualty or act of God. The City's obligations include restorations, repairs and replacements when necessary to keep the Graded Areas in good order, condition and state of repair.

5. HOLD HARMLESS AND INDEMNIFICATION

5.01 <u>Licensees' Indemnification of District</u>. Licensees, and each of them, agree to indemnify, defend, save and hold harmless the District, its trustees, elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with such Licensee's, and its members', agents' and invitees', operations on and use of the Licensed Areas and the attraction caused by their operations on and use of the Licensed Areas which attracts third parties and members of the general public to the Licensed Areas, including any Worker's

Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensee by any person pursuant to this License.

5.02 <u>District Indemnification of Licensees</u>. District agrees to indemnify, defend, save and hold harmless Licensees, and each of them, their elected and appointed officers, employees, and agents from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage arising from or connected with the Licensed Areas, other than claims related to Licensees', and its members', agents' and invitees', operations on and use of the Licensed Areas and the attraction caused by their operations on and use of the Licensed Areas which attracts third parties and members of the general public to the Licensed Areas, including any Worker's Compensation suit, liability, or expense, arising from or connected with services performed on behalf of such Licensees by any person pursuant to this License.

6. INSURANCE

- 6.01 <u>Insurance Requirements</u>. During the term of this License, Licensee shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by District, and such coverage shall be provided and maintained at Licensee's own expense. Licensees shall have the right to self-insure any or all of the insurance required under this License.
 - (a) General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name District as an additional insured, with limits of not less than the following:

General Aggregate: \$2 million
Products/Completed Operations Aggregate: \$1 million
Personal and Advertising Injury: \$1 million
Fire Legal Liability: \$100,000
Each Occurrence: \$1 million

(b) Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Licensee is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 million
Disease - Policy Limit: \$1 million
Disease - Each Employee: \$1 million

6.02 Evidence of Insurance. Certificate(s) or other evidence of coverage satisfactory to District shall be delivered to the District prior to the Commencement Date. Such certificates or other evidence shall: (a) specifically identify this License, (b) clearly evidence all coverages required in this License, (c) contain the express condition

HOA.743187.1

that District is to be given written notice by mail to District at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions.

6,03 <u>Notification of Incidents, Claims or Suits</u>. Licensee shall report to District any accident or incident relating to activities performed under this License which involves injury or property damage which might reasonably be thought to result in the filling of a claim or lawsuit against Licensee and/or District. Such report shall be made in writing immediately upon Licensee's knowledge of such occurrence.

7. NO ASSIGNMENT OF LICENSE

Licensees acknowledge that the rights conferred herein are personal to Licensees and do not operate to confer on or vest in Licensees any title, interest, or estate in the Licensed Areas or any part thereof, and therefore, Licensees shall not assign, hypothecate or mortgage the Licensed Areas or any portion thereof, by, through, or pursuant to this License.

8. NONDISCRIMINATION

Licensees, and each of them, certify and agree that all persons employed by Licensees are and shall be treated equally without regard to or because of race, ancestry, national origin, or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the State Fair Employment Practices Act; and the Americans with Disabilities Act.

9. DEFAULT

Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee which constitutes a material breach, District shall notify Licensee in writing and provide such Licensee with thirty (30) days to cure the default or, if the default cannot reasonably be cured within the thirty (30) days after notice is given, such Licensee shall reasonably commence to cure the default within the thirty (30) day period and diligently and in good faith continue to cure the default.

10. WAIVER

10.01 Any waiver by any party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of any party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this License or estopping any party from enforcing the full provisions hereof.

10.02 No option, right, power, remedy, or privilege of any party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given the parties by this License shall be cumulative.

11. ENFORCEMENT

The District's Superintendent shall be responsible for the enforcement of this License on behalf of District and shall be assisted therein by those officers or employees of District having duties in connection with the administration thereof.

12. COUNTY LOBBYIST ORDINANCE

The parties hereto are aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code and certify full compliance therewith.

13. NOTICES

Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation, mail chute, or other like facility regularly maintained by the United States Postal Service. The addresses to be used for any notice served by mail upon Licensees shall be:

> Chief Executive Office Real Estate Division - Property Management 222 South Hill Street, 3rd Floor Los Angeles, California 90012

AND

Department of Community and Senior Services 3175 West 6th Street Los Angeles, California 90020 c/o Program Manager, Community and Senior Centers Division, Room 306

City of Montebello 1600 West Beverly Boulevard Montebello, California 90640 Attention: City Administrator

or such other place as may hereinafter be designated in writing to the District by Licensees.

HOA.743187.1 Rev. 11-24-10

Notice served by mail upon District shall be addressed to:

Montebello Unified School District 123 South Montebello Boulevard Montebello, California 90640 Attention: Superintendent of Schools

or such other place as may hereinafter be designated in writing to Licensees. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

14. REPAIR OF DAMAGE

Each Licensee shall, at such Licensee's sole expense, be responsible for the cost of repairing any portion of the Licensed Areas which is damaged by such Licensee or such Licensee's agents, employees, invitees or visitors. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by District, which approval shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws.

15. INTERPRETATION

Unless the context of this License clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

16. GOVERNING LAW AND FORUM

This License shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this License shall be conducted in the courts of the State of California.

17. ENTIRE AGREEMENT

This License contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both District and Licensees.

18. SIGNATURE AUTHENTICITY CLAUSE

Each of the individuals executing this License on behalf of a party hereto hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate such party to the terms and conditions of this License.

IN WITNESS WHEREOF, the District has executed this License or caused it to be duly executed by its duly authorized officer, and each Licensee has caused this

License to be executed in its behalf by its duly author first above written.	ized officer, this day, month, and year
LICENSOR:	
MONTEBELLO UNIFIED SCHOOL DISTRICT	·
By:	ess Services
LICENSEES:	
ATTEST:	
SACHI A. HAMAI Executive Officer-Clerk of The Board of Supervisors	COUNTY OF LOS ANGELES
By: Deputy	By: Mayor, Board of Supervisors
Deputy	Mayor, Board of Supervisors
APPROVED AS TO FORM:	
ANDREA SHERIDAN ORDIN	
County Counsel	
ByAmy M. Caves Senior Deputy County Counsel	
CITY OF MONTEBELLO	
By: William M. Molinari, Mayor	
William W. Wolliam, Wayor	

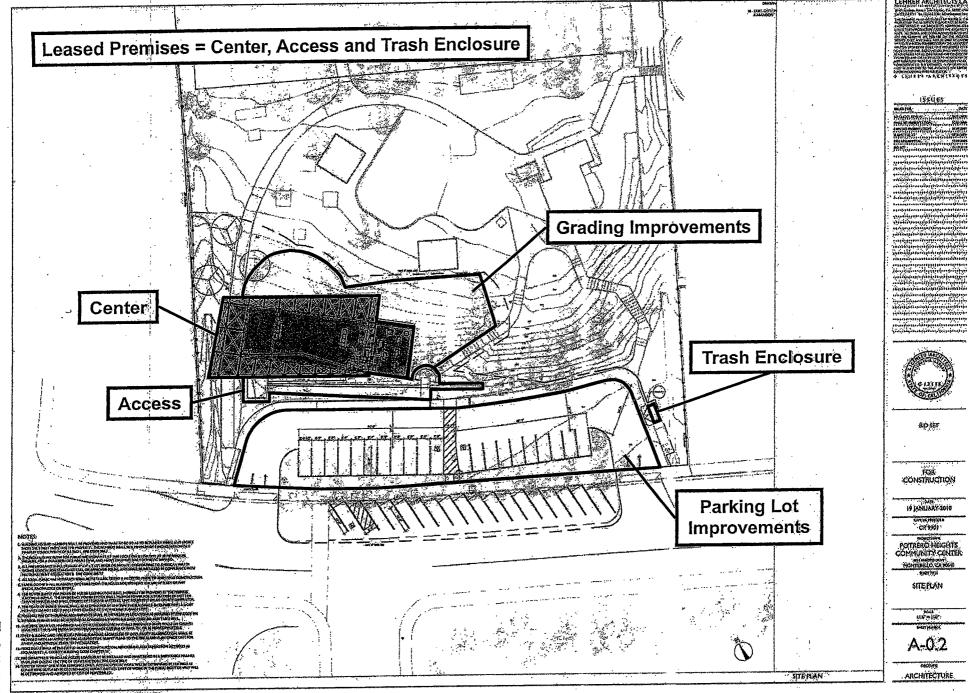


Exhibit "A"